Des (1948) Department-

Ms SERIES.

G.O. NO. 2862

Dated 27: XI. 48

[Despatch Abstract.]

Coop Societies Weavers Societies. Lakkalakota Taluk Weavers Coop Society Bellary Dt Subsidy and Loan. Employment of Junior Inspector Sanctioned

O.F. 32.

Department

From (Name) Captain D.R. Sundaram, B.A.,
Designation Secretary, Ceded Districts Economic Development Board,
Station Chepauk, Madras.

Received Registered

To

The Secretary to Government,
Development Department,
Madras.

V.H.Kudva Esq., C.I.E., I.C.S., Chairman.

Enclosures:

No. Rc.No.99/48 dated 31st May, 48 194

Sir.

1 - JUN 1948

DEVELOPMENT DEPARTMENT

61955 / 1648

Sub: Industries - Cottage industries - Bellary district - Sirugunpa taluk - The Tekkalakota Tape Weavers' Cooperative Society Ltd., - subsidy.

Ref: Letter from the Registrar of Cooperative Societies No. Rc.33885/47-V.2. dated 20/5/48.

Submitted to Government:

2. The Chairman of the Board agrees with the Registrar of Cooperative Societies that the services of a junior inspector of Cooperative Societies and fly shuttle looms are necessary for the society to improve its business. He, therefore requests that the Government may be pleased to approve of the proposals of the Registrar of Cooperative Societies and sanction the requisite funds in order to encourage the industry.

Enc. 1. Letter from the Registrar of Coop. Societies.

31.5.48

Secretary.

Copy to the Registrar of Cooperative Societies, Chepauk.

pg. 21/5/48

ASVASAN. 31/5.

Copy of Letter No.Rc.33885/47-V.2. dated 20/5/48 from the Registrar of Cooperative Societies to the Secretary, Ceded Districts Economic Development Board, Chepauk.

* * *

Sub: Cottage Industries - Tekkalakota tape weavers free grant of the services of a Junior Inspector and subsidy of Rs.2000/- requested.

1 A cooperative cottage industries society has been organised for the Tekkalakota tape weavers in Bellary district. The workers who are known as pinjaries belong to a backward community. The society was registered on 25-3-47 at the instance of the Collect when there was great difficulty for them to get yarn. The society has 156 members on its rolls with a paid up share capital of Rs.1175/-. It has 93 looms working in its fold out of a total of 500 looms in the locality. The Society is manufacturing bataramsand tapes which are sold in the Bombay Province and the Hyderabad State. Upto 31-12-47, the society purchased goods worth Rs.6728/- and effected sales to the tune of Rs.5455/-.

2 With a view to develop its activities increase business and provide greater wages to its members the society has requested me to address Government for the following items of assistance.

(i) Free services of a Junior Inspector of Cooperative Societies for a period of one year to work as its Manager and see to the proper maintanance of the accounts of the society.

(ii) a lump sum (non-recurring) subsidy of Rs.2000/- for converting the existing crude type of looms into improved variety of fly shuttle looms.

(iii) a recurring monthly grant of Rs.100/- for two years to meet the cost of clerical and other establishment and contingent charges.

3 I have examined the need for the Government assistance asked for. I observed that the members of the society are generally not literate and they cannot themselves manage its affairs. The products manufactured by the society are bataramsand tapes which are marketable chiefly outside the Madras province i.e., in the Bombay province and the Hyderabad state. The marketing of the goods therefore requires the services of a responsible officer who can correspond with the outside traders and arrange for the sale of the society's goods. Further the proper maintenance of the accounts of the society dealing in production and sale also requires trained personnel. Further the society's business has to be developed, by bringing in more looms into its fold by effective propaganda. The free services of a Junior Inspector are therefore quite necessary for the society to improve.

4 As regards the subsidy of Rs.2000/- for fly shuttle looms, there is a real need for it. The members of the society are now working on crude looms on which it is not possible to quicken production. If these looms are converted into fly shuttle looms, the production can be increased and the members can earn more wages. Hence the subsidy of Rs.2000/- is quite necessary and may be recommended.

5 The society has employed a peon on a pay of Rs.30/- per mensem and it is paying house rent at Rs.12/- per mensem. It is meeting the expenditure under the above heads of expenditure from its own funds. The question of sanctioning a recurring subsidy to meet the expenditure under establishment and contingent charges may be considered after watching the working of the society for a period of six months with the assistance of the Junior Inspector and after fly shuttle looms are introduced in the society.

1 to 4 below 6 I enclose a balance sheet of the society as on 31-12-47. It may be seen therefrom that the society has not got adequate financial resources to meet the cost of the Junior Inspector and the cost of conversion of the existing looms into fly shuttle looms. As the society is started to benefit the poor pinjaries who belong to a backward community, it deserves every encouragement in the development of its activities. I, therefore request that the Board may be pleased to address Government to grant the two items of Government assistance as recommended by me above.

--true copy--

p.t.o.

Issue 77/14/6
12.6.48

Development Department.

Memo No.61955/BIII/48-2 dated 12.6.48

Sub: Co-operative Societies - Weavers Societies - Tekkalakota Tape Weavers Co-operative Societies Limited, Bellary District - State-aid - Proposal.

Ref: From the Secretary Ceded Districts Economic Development Board No.Rc.99/48 dated 31.5.48.

It has been suggested that atleast 25% of the cost of the Junior Inspector proposed to be employed as Manager of the Tekkalakota Tape Weavers' Co-operative Society, Ltd. in the Bellary District may be recovered from the Society. The R.C.S. is requested to offer his remarks on this suggestion.

2. It has also been suggested that the subsidy proposed to be given to the society may be limited to Rs 1000 representing one-half of the cost of the fly-shuttle looms and that the society may be asked to take a loan if necessary from the Government at the usual rate of interest to cover the other half of the cost on this account. The Society may not find it difficult to repay the loan from its profits which are likely to increase as a result

6.

of the increase of production consequent on the introduction of fly-shuttle looms and better management by the Junior Inspector of Co-operative Societies. The R.C.S. is requested to offer his remarks on this suggestion also. ~~He is also~~ 3. The Registrar is also requested to state whether the proposal may be treated as a Part II Scheme for 1949-50 along with similar schemes which may be brought forward during the course of the year. If he considers that the scheme should be introduced in the current year itself he is requested to ~~explain~~ give full reasons for the urgency.

4. The R. C. S. is requested to submit his reply through the Ceded Districts Economic Development Board.

15.6.48

To the R.C.S.
Copy to the Secretary, Ceded Dtr. Economic Development Board.

The Tekkalakota Tape weavers' Cooperative Production and Sale Society Ltd. as on 31-12-47

Trading Account.

1 Value of goods at the beginning of the year.	-	1. Yarn Sales:	
		Issued to members:	6,533--4-0
2. Value of yarn purchased:	7,922--4-6	2. Gudaram sales:	5,454-12-0
3. Value of goods produced;			
3954-15-2 wages.	6,728--3-2	3. Closing stock (Gudarams yarn)	1,348-12-0
2773--4-0			
6728--3-2		-do-	1,962--0-0
4. Trade charges.	99--0-0		
	14,749--7-8		15,298-12-0
	549--4-4		
	15,298-12-0		

Profit and Loss Account.

Profit.		Loss.	
Establishment and contingencies:	401-15-6	Gross profit Miscellaneous income:	549--4-4
Last year's loss.	63--7-0	E.F. 34-12-0	
Net Profit.	120-9-10	Fines: 2--0-0	36-12-0
	586--0-0		586--0-4

Liabilities.		Assets.	
Share capital.	1207-0--0	Cash on hand:	623--5--0
Cash credit.	6000-0--0	Cash in Bank	41--0--0
Thrift fund:	34-6--0	Shares in H.C.B.	600--0--0
		" M.P.C.W.S.	100--0--0
		Weavers' account.	2578--4-10
		Stock of yarn:	1962--0--0
		" Gudarams.	1348-12--0
	7,241-6--0		7,253--5-10
Net profit:	120-9-10		
	7,253-5-10		7,253--5-10

--True Copy-

pls. 31/5/48

ASVASAN. 31/5

Y.S. Moorthy
Head-Clerk.
31-5-48

C.F. 32.

CEDED DISTRICTS ECONOMIC DEVELOPMENT BOARD.

From (Name) S. Nana Saheb, B.A.,

Designation Secretary,

Station Chepauk, Madras.

Received ____ Registered 110052

To

The Secretary to Government,
Development Department, Fort St. George,
~~Chepauk~~, Madras.

V.N.Kudva Esq., C.I.E., I.C.S., Chairman.

Enclosures:

No. Rc. 99 ~~176~~/48 dated 19th October, 1948.

Sir.

Sub: Cooperative Societies - Weavers' Societies Tekkalakota Tape Weavers' Cooperative Society Limited - Bellary District - State Aid - proposal.

Ref: Government Development Department Memorandum No. 61955/B-III/48-2 dated 12th June, 1948.
Rc.No.33885/47-V.2. dated 28/9/48 of the Registrar of Cooperative Societies.

pp 5-6 ch here
pg below

Submitted to Government:

2. The Chairman of the Board endorses the remarks of the Registrar of Cooperative Societies contained in his letter enclosed.

pg below

Enc:.1.

Swamisahib 19-10-48
Secretary.

Copy to the Registrar of Cooperative Societies, Madras.

.ASA/19/10

PG 19/10/48.

C.F. 32.

7

9

Department

Received Registered

From (Name)

Designation

Station

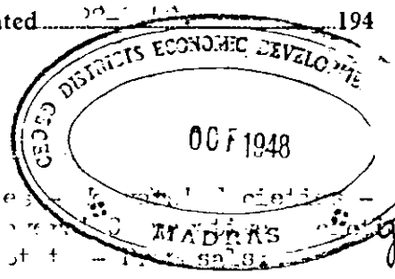
To

The

Enclosures:

No. dated 194

Sir,



Subject:- Co-operative Societies - Financial assistance - Proposal to form a Co-operative Sugar Factory Ltd., Ramayapatnam - Station - Visakhapatnam.

Ref:-1. Your letter No.33405/47.W.2., dated 20-5-48 and
2. Dev. Dept. Memo No.61955/3.,II/48.2., dated 12-6-48.

- - -

I offer below my remarks on the points arising in the

[illegible] Rs.1,00,000/- [illegible]

[illegible] Rs.1,00,000/- [illegible]

[illegible] the Co-operative Societies Act, [illegible] the Co-operative Societies Act, [illegible] but [illegible] with your letter under reply we propose to [illegible] financial liability, we direct that [illegible] unless it is [illegible] successfully [illegible] in the accounts [illegible].

It is proposed that the [illegible] during the current year only.

P Achuthan

c.t.1.10

11RR 4/4

LW 6/10

Cooperative Department.

11

From
Sri Rao Bahadur J.C. Ryan, M.A.,
Registrar of Cooperative Societies,
Chepauk, Madras.

To
The Secretary to Government,
Development Department,
Fort St. George, Madras.

No.Rc.33885/47.V.2.

Dated, 3.11.1948.

117559
6/1948

Sir,

Sub:- Cooperative societies - Weavers' cooperative societies - Tekkalakota Tape Weavers' cooperative society - Bellary District - State Aid - Proposals -.

Ref:- i. Development Department Memo Rc.61955 B III/48-4 dated 16.10.48 and
ii. Letter to Government Depelopment Department Rc.No.99/48 dated 19.10.48 from the Ceded District Economic Development Board.

-:-

I invite reference to the letter from the Ceded District Economin Development Board cited as item (2) above in which my reply to Government was submitted by the Board.

P Achyuta Menon

For Registrar.

Tek/4-11.

Development Department.

Sub: Co-operative Societies - Weavers Societies - Tekkalakota Tape Weavers Co-op. Society - Bellary District - Subsidy and loan - Employment of one Junior Inspector - Sanctioned

Ref: From the Secretary, C.D.F.D.Board, Rc.No.99/48 dated 31.5.1948.
From the R.C.S.Rc.No.33885/47 V.2 dated 28.9.48

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ORDER(MS.)NO. 5862 DATED 27.11.48

H.E. the Governor of Madras sanctions the payment to the Tekkalakota Tape Weavers Co-operative Society in the Bellary district of a subsidy of Rs.1000/- (Rupees one thousand ~~only~~) and a loan of Rs.1000/- (Rupees one thousand) towards the cost of conversion of the existing crude looms into improved fly shuttle looms, for the use of the society. The loan will bear interest at 4% per annum and it should be repaid in 10 equal annual instalments of Rs.123/- (Rupees one hundred and twenty three) each. Penal interest at 7½% per annum will be charged on all over due instalments.

2. Sanction is also accorded to the employment temporarily for a period of one year from the date of appointment of one Junior Inspector of Co-operative Societies in category 3 of the Madras Co-operative Subordinate Service to work as Manager of the society

2. 14

and to attend to the maintenance of its accounts. One-fourth of the cost of the Junior Inspector should be recovered from the Society and the remaining three-fourths of the cost will be met by the Government.

3. The expenditure on account of the subsidy and the loan should be debited to the heads "42.Co-operation C F- Grants-in-aid - I Ordinary areas (iii) Other grants." and to "Loans and advances bearing interest - f. Miscellaneous Loans and advances - B. Loans to Co-operative Societies and Land Mortgage Banks," respectively.

To the Secretary, CDTD Board
To the R.C.S.
To the A.G. through Finance Department
Copy to S.F.

Development Department.

Sub: Co-operative Societies - Weavers' Societies - Tekkalakota Tape Weavers' Co-operative Society Limited - Bellary Dt. - State-aid.

Ref: From the Secretary, Ceded Districts Economic Development Board, No.Rc.9948 dated 31.5.1948.

To Asst. Secy:-

The Tekkalakota Tape Weavers' Co-operative Society, Limited in the Bellary district has applied for the following items of State-aid:-

(1) Employment of a Junior Inspector at Government cost for one year to work as Manager of the society;

(2) Grant of a non-recurring lumpsum subsidy of Rs.2000/- for converting the existing crude looms into improved fly shuttle looms; and

(3) Grant of a subsidy of Rs.100/- per mensem for two years to meet the cost of clerical and other establishments and contingent charges.

The remarks of the Registrar and the Ceded Districts Economic Development Board on these requests are at pp.3 and 1, respectively.

2. Item (1) in paragraph 1 above:-

The necessity for a junior Inspector to work as Manager of the Society is explained in paragraph 3 of the Registrar's letter at p.3 c.f. From the balance sheet at p.4 c.f. It will be observed that the society is not in a position to meet the cost of the Junior Inspector. The society consists of poor pinjaries belonging to a backward community and the Registrar states that it deserves every encouragement in the development of its activities. The proposal to appoint a Junior Inspector at Government cost for one year may therefore be supported in this department.

.....continued

2.

3. Item (2) in paragraph 1 above:-

The Registrar states that the members of the society are now working on Crude looms and that it is not possible to quicken the production. If these looms are converted into fly shuttle looms he states the production can be increased and that the members will be enabled to earn more wages. The Registrar considers that the subsidy of Rs.2,000/- is quite necessary. In view of the fact that the society cannot afford to incur this expenditure from its own resources, this proposal may also be supported in this Department.

4. Item (3) in paragraph 1 above:-

The Registrar states that the question of sanctioning a recurring subsidy to meet the expenses under establishment and contingent charges may be considered after watching the work of the society for a period of six months with assistance of the Junior Inspector and after ~~converting~~ fly shuttle looms are introduced in the society No orders are therefore necessary at present on this request.

5. The file may be sent to Finance for remarks.

Finance (Accts.B)

The Registrar of Co-operative Societies has proposed the following aid to Tekkalakota Tape Weavers' Co-operative Society Ltd:-

(1) Employment of a Junior Inspector of Co-operative Societies for one year to work as Manager of the Society and see to the proper maintenance of accounts.

(2) Grant of a non-recurring lump sum subsidy of Rs.2,000 for converting the existing crude looms into improved fly shuttle looms.

ADDITIONAL DEPUTY SECRETARY
4 JUN 1948
42238
FINANCE DEPARTMENT

The Development Department propose to accept the above two proposals of the Registrar of Co-operative Societies. The cost involved in the proposals works out to Rs.1,235 (recurring per annum) and Rs.2,000 non-recurring.

2. The following remarks are called for in Finance:-

Item (1) on p.2 above:- In the circumstances explained by the Registrar of Co-op. Societies in para 3 on p.3 c.f., and in view of the poor finances of the Society, this Department may agree to the proposal to employ a Junior Inspector of Co-op. Societies as the Manager of Tekkalakota Tape Weavers' Co-op. Society. But the points for consideration are whether it is necessary to sanction the Junior Inspector for a period of one year and whether the entire cost on account of him should be met by the Government. It may be stated in this connection that ~~Government~~ Dev. Dept have ~~sanctioned~~ proposed the employment of a Senior Inspector of Co-op. Societies for a period of 6 month only in the case of the Palghat Milk Supply Union and other similar Unions formed for the purpose of providing employment to the ex-toddy-tappers. On this analogy, Finance may suggest that the Junior Inspector of Co-operative Societies need be sanctioned for a period of 6 months only. The question of extending the period of the services of the Junior Inspector may perhaps be considered after watching the working of the Society for a period of 6 months ~~with the assistance of the Junior Inspector of Co-operative Societies~~ As regards the cost on account of the Inspector, it may be stated that the Standing Finance Committee have decided at their meeting held on 28-10-47 that with effect from 1-1-48, the expenditure on the staff required for the audit of Co-op. Societies should not in any circumstances be a charge on Provincial revenues. In the case of the Palghat Milk Supply Union and the Madanapalle Milk Supply Union, this Department suggested that at least 25% of the cost of the Senior Inspector proposed may be recovered from them. In the present case, the Junior Inspector is intended to work as the Manager as well as attend to the maintenance of the accounts of the Society. Though it has not been specifically stated that the Junior Inspector is required for the audit of the Society, this Department may perhaps suggest that a portion of the cost of the Inspector, say, 25% may be recovered from the Society. In that case the extra cost to Govt. will work out to Rs.463 (for 6 months)

Item (2) on p.2 above:-

The Registrar of Co-operative Societies has stated that there is a real need for granting a subsidy of Rs.2,000 to the Society for converting the existing crude type of looms into improved variety of fly shuttle looms. It is stated that the members of the Society are now working on crude looms on which it is not possible to quicken production. If these looms are

converted into fly shattle looms, it is stated that the production can be increased and the members can earn more wages. In these circumstances, and in view of the poor resources of the Society, and as the Society is intended for the benefit of Pinjaris who belong to a backward community, this Department may accept the need for giving a subsidy to the Society. Recently, in a case relating to the grant of subsidy of Rs.500 to the Madanapalle Milk Supply Union towards the cost of utensils and cans, this Department suggested that a subsidy of Rs.250 only to meet half the cost of utensils need be given. On this analogy, this Department may suggest that only Rs.1000 to meet half the cost of fly shuttles need be given in this case also and the Society, ~~if willing~~ may be asked to take a loan if necessary from the Government at the usual rate of interest to cover the other half of the cost of fly shuttles. The Society may not find it difficult to repay the loan from its profits, which are likely to increase on account of the increased production consequent on the introduction of fly shuttles and better management by the Junior Inspector of Co-operative Societies.

The cost according to the proposals of Finance works out to Rs.1463 or Rs.1000 roundly.

3. The point for consideration is whether the present proposal is so essential and urgent that it cannot bear postponement. It is submitted that this is a new scheme not contemplated in the budget. It does not also seem to be so essential or urgent that it cannot wait till next year. In the circumstannes, Finance may advise that the proposal may be brought forward for consideration in connection with Part II Schemes for 1949-50. along with similar schemes however, the Dept. may take up during the course of the year.

If Development wish to introduce the scheme in the current year itself, they may be requested to take orders in circulation including H.M (Fin.)

With the above remarks the case may be returned to Development.

Kpa 5-6-48

5.6.48

5-6-48

7/6

FIRST ASST. SECRETARY TO GOVERNMENT DEVELOPMENT DEPARTMENT

8 - JUN through EII 5/6/48

64662 8.6.48

Finance No. No. 42238 AB-1 A/7-6-48

Note of Fin on pp 2-4 above — With reference to the suggestions of Fin. at 'A' 'B' and 'C' on pp 3-4 above, a draft memo submitted for approval —

DSD 8/6

12/6

5

AB

(Issued as Memo. No. 61955-BIII/48 dt. 16.10.48)
(From the Secretary C.D.E.D. Board No. Re. 99/48 dt. 19.10.48)
(From the R.C.S. No. Re. 33885-47-A2 dt. 28.9.1948)

To Asst. Secretary:

Please see the Finance Department note on pp.2-4 above, the memo at pp.5-6 c.f. and the reply from the R.C.S. with the remarks of the Ceded Districts Economic Development Board on it at pp.7-9 c.f.

2. The Registrar reports that the society is willing to meet 25 per cent of the cost of the Junior Inspector proposed to be employed as its Manager and also to take a loan of Rs.1000/- at the usual rate of interest towards th cost of the fly shuttle looms as suggested by Finance, provided that a subsidy of Rs.1000/- ~~be~~ granted. This may be agreed to in this Department also.

3. For the reasons stated in paragraph 2 of his letter on p.9 c.f., the Regr. states that the scheme need not be postponed for consideration in connection with the budget of 1949-50 but that it may be introduced in the current year itself. The Chairman of the Ceded Districts Economic Development Board has endorsed the Registrar's recommendation which may be supported in this department.

4. The file may be sent to Finance for further remarks.

2210/48

Dev U.O.No 61955-BIII/48-5
25-10-48

Finance (Accts B)

(Previous Finance note up 2-4 above)
The file deals with the following two proposals.

(1) Employment of a junior Inspector of Cooperative Societies for one year to work as manager of the Society and see to the proper maintenance

ASST. SECRET 93897 20 OCT 1948 FINANCE DEPT

K on 22.10.48

of accounts and

(2) Grant of a non-recurring lump sum Subsidy of Rs 2,000 for converting the existing crude looms into improved fly shuttle looms. K on p2 above

Item (1) on p-5 above - Finance already agreed to the employment of a Junior Inspector for a period of 1 year at Govt cost, but Suggested that the Society might be requested to meet 25% of the cost of the post. The R.C.S. has since reported that the Society is agreeable to this Suggestion. The extra cost to Govt on account of the post works out to Rs 926/- representing 75% of its cost for a period of 1 year. K and A on p3 above A on p 9 CF ✓ 78.9 24 102.9×12 1234-8 × 3/4 = 926

Item (2) above It was Suggested by Finance that the Society might be asked to take a loan of Rs 1000/- from the Govt at the usual rate of interest, the balance of the amount still required viz Rs 1000/- being given as a Subsidy by the Govt. The Society is agreeable to this Suggestion also. B on p 4 above ✓ B on p 9 CF

It was also Suggested by Finance that the proposal might be treated as a part II Scheme for 1949-50. for the reasons stated in para 2 on p 9 CF which are also endorsed by the Ceded Dt Economic and Debt Board, the R.C.S recommends that the Scheme may be Sanctioned during the current year Half. In the circumstances stated above, Finance may agree to the proposal as now modified being Sanctioned immediately. The extra cost to Govt works out to Rs 1926/- by way of Subsidy and 75% of the cost of the Junior Inspector. The Society may have also to be given a loan of Rs 1000/- at the C on p 4 above ✓ Govt 1.11.48 Dir 4.7.48 1000+926

usual rate of interest. Dept will no doubt circulate the case to HM (Finance) as requested at A on page 4. above.

Thro Exp A.

MA
29/10/48

Fin. Secy. No. 93897 AB-1
dt 2-11-48

Dev Dept

Notes para 5 above may be perused. A draft order sanctioning (of Rs 1000) as subsidy and loan of Rs 1000/- and the employment (of Shri Tarakeshwar Mukherjee Extension Officer) of a Jr. Inspector of Co-op Soc. for one year is submitted for approval. Finance may see the draft with regard to the rate of interest and the period of repayment of the loan, before circulation.

9/11/48

10/11/48

Dev. No. 61955-D&I/48-6
11-11-48

Fin (Exp A)

(Previous Finance note on pp 5-7 above)
The draft order below may be accepted. The rate of interest is 4% p.a. which is the lowest one. The recovery in 10 annual instalments may be agreed to.

MA
15/11/48.

16-11-48

16/11/48 Dev.

121695

PTO

8

6955 Bim/col

5/19/11 Dev Deptt

To Asstt Secy

The draft order placed below explains the proposals as has been accepted by the Finance deptt. For orders whether it may now issue

Sd/- 17/11/48

Sd/- 15.11.48

Sd/- 18/11

Sd/- Lu. 20.11

Sd/- P.G. 26.XI

Sd/- 26/11

[Issued as Govt No. 8612-Fin/48 dated 27.XI.48]